



May 15, 2003

VECTOR GROUP REPORTS FIRST QUARTER 2003 FINANCIAL RESULTS

MIAMI, FL, May 15, 2003 -- Vector Group Ltd. (NYSE: VGR) today announced financial results for the first quarter ended March 31, 2003.

First quarter 2003 revenues were \$133.1 million, compared to revenues of \$97.2 million in the first quarter of 2002. The Company recorded an operating loss of \$0.2 million in the 2003 first quarter, compared to an operating loss of \$15.1 million in the first quarter of 2002. Net loss for the 2003 first quarter was \$4.8 million, or \$0.13 per diluted common share, compared to net loss income of \$11.9 million, or \$0.34 per diluted common share, in the 2002 first quarter.

For the three months ended March 31, 2003, the Company's conventional cigarette business, which includes Liggett Group cigarettes and USA brand cigarettes, had revenues of \$124.9 million, compared to \$94.1 million for the three months ended March 31, 2003. Operating income was \$30.2 million for the first quarter of 2003, compared to \$18.5 million for the first quarter of 2002. The 2002 results included a pre-tax restructuring charge of \$3.5 million.

CONFERENCE CALL TO DISCUSS FIRST QUARTER AND FULL YEAR 2002 RESULTS

As previously announced, the Company will host a conference call and webcast on Friday, May 16, 2003 at 11:00 A.M. (EDT) to discuss first quarter 2003 results. Investors can access the call by dialing 877-692-2590 or via live webcast at www.vcall.com

A replay of the call will also be available shortly after the call ends on May 16, 2003 through May 23, 2003. To access the replay, dial 877-519-4471 and enter 3923607 as the conference ID number. The archived webcast will also be available at www.vcall.com for 30 days.

Vector Group is a holding company that indirectly owns Liggett Group Inc., Vector Tobacco Inc. and a controlling interest in New Valley Corporation.

